

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1538 - HB 2004**

March 10, 2011

**SUMMARY OF BILL:** Authorizes the Commissioner of the Department of Commerce and Insurance (TDCI) to randomly assign approved independent review organizations to conduct external reviews of adverse determinations made pursuant to the Tennessee Health Carrier Grievance and External Review Procedure Act. Eliminates the insurer's authority to contract with two independent review organizations, and to require the aggrieved person to utilize one of the insurer's review organizations.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

**Assumptions:**

- According to TDCI, the Commissioner is currently responsible for developing and maintaining a list of approved external review organizations.
- According to TDCI, the Department will be required to receive grievances and make random review organization assignments, and to give notice of the organization assigned to both the policyholder and insurer. The Department anticipates making fewer than 100 assignments annually.
- According to TDCI, the assignments and notifications can be completed with existing resources. As a result, any increase in state expenditures is estimated to be not significant and can be accomplished without an increased appropriation or reduced reversion.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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